

AGREEMENT BETWEEN



AND

AMALGAMATED TRANSIT UNION LOCAL 1605



May 6, 2013 to May 6, 2016

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ARTICLE 1 PARTIES AND RECOGNITION

Section 1.1 – Parties and Recognition of ATU: This Agreement, executed herein below, is between First Transit, Inc. (located at 2477 Arnold Industrial Way, Concord, California 94520), hereinafter referred to as the Company, and the Amalgamated Transit Union Local 1605 (located at 1333 Pine Street, Suite G, Martinez, California 94553), hereinafter alternatively referred to as the Union or as the ATU. The Company recognizes the ATU as the exclusive representative of "employees" as defined in Section 1.2 of this Article, deemed appropriate on May 2, 1997, by the National Labor Relations Board in 32-RC-4257, for purposes of collective bargaining with respect to rates of pay, hours of work and other conditions of employment for all such employees.

Section 1.2 - Definition of Employees (Regular): Whenever used in this Agreement, the term "employees" shall mean all regular, full-time and regular part-time non-probationary drivers employed by the Company at its location referred to in Section 1.1 and who perform work under the Company's revenue contract with the Central Contra Costa Transportation Authority (herein elsewhere alternatively referred to as the Client or as CCCTA), but excluding temporary personnel, maintenance and utility personnel, clerks, dispatchers, schedulers, professional employees, guards and supervisors as defined under the National Labor Relations Act. Said employees collectively constitute the Bargaining Unit.

Section 1.3 - Definition of Employees (Probationary): An employee who has never accrued seniority under this Agreement or predecessor agreements between the Company and the Union, or an employee rehired after termination of seniority, shall be in "probationary" status until he/she has completed sixty (60) working days. The discharge or discipline of an employee who is in a probationary status shall not be a violation of this Agreement.

Section 1.4 - Job Classes: The classification of jobs as described in Section 1.2 of this Agreement is defined as follows:

- a. A regular full-time driver is defined as a driver regularly scheduled to work thirty (30) hours or more in a workweek.
- b. A regular part-time driver is defined as a driver regularly scheduled to work less than thirty (30) hours in a workweek. The Company will not employ more than 10% of the workforce as part-time employees. If the Client changes its operational needs, the parties will meet to adjust to those needs accordingly. Any necessary changes will be reduced to writing and signed off.

ARTICLE 2 SCOPE OF AGREEMENT

Section 2.1 – Separability: Should any Article, Section or portion of this Agreement be determined to be in conflict with established law and unenforceable by a court of competent jurisdiction, such decision shall apply only to the specific Article, Section or portion thereof directly specified in the decision. Upon issuance of the decision, the parties agree to immediately negotiate a substitute for the invalid Article, Section or portion thereof. Neither party shall be under any obligation to renegotiate any Articles, Sections or portions of this Agreement, which are not affected by such decision.

Section 2.2 - Waiver of Bargaining Rights and Amendments to Agreement: During the negotiations resulting in this Agreement, the Company and the ATU each had the unlimited right and opportunity to make demands and proposals with respect to any matter as to which the National Labor Relations Act imposes an obligation to bargain. Except as specifically set forth elsewhere in this Agreement, the Company expressly waives its right to require the ATU to bargain collectively, and the ATU expressly waives its right to require the Company to bargain collectively, over all matters as to which the National Labor Relations Act imposes an obligation to bargain, whether or not: (1) such matters are specifically referred to in this Agreement, (2) such matters were discussed between the Company and the ATU during negotiations which resulted in this Agreement, or (3) such matters were within the contemplation or knowledge of the Company and the ATU, after exercise of the right and opportunity referred to in the first sentence of this Section and this Agreement finally determines all matters of collective bargaining for its term. Changes in this Agreement, whether by addition, waiver, deletion, amendment, or modification, must be reduced to writing and executed by both the Company and the ATU.

ARTICLE 3 REPRESENTATION

Section 3.1 - ATU Shop Stewards

- Recognition of Shop Stewards: From among the employees employed in the Bargaining Unit, the Union may designate and the Company will recognize not more than two (2) Shop Stewards to serve as the Union's agent in the representation of employees of the Bargaining Unit. The Company shall not be required to recognize any employee as a Shop Steward unless the Union has informed the Company, in writing, of the employee's name.
- b. <u>Compensation of Shop Steward While Engaged in Union Activity</u>: The Shop Steward shall not be compensated by the Company for his/her duties as the Shop Steward and shall perform such duties during times when he/she is not scheduled to work for the Company.
- Section 3.2 Distribution of Union Literature (Bulletin Boards): The Company will provide the ATU with a bulletin board which shall be used by the ATU for posting of official notices, meetings and other matters pertinent to the ATU. Said bulletin board will be located in such a manner that all employees can easily see its contents. The ATU agrees that the bulletin board and notices the ATU distributes to employees via sealed envelope placed in employees mail boxes will only be used for official business and will not be used for personal notices or any other material not pertinent to official ATU business. The ATU also agreed that no inflammatory or derogatory materials regarding the Company will be posted on the bulletin board or placed in employees mail boxes. The ATU agent shall have reasonable access, during regular Company office hours, to maintain the bulletin board.
- <u>Section 3.3 ATU Business Leave:</u> An employee designated by the ATU to serve as a full-time officer or employee of the ATU shall be granted leave without pay for the duration of such office. During the period of such leave, the employee shall continue to accrue seniority as defined in Article 8 (SENIORITY) of this Agreement.
- <u>Section 3.4 ATU Visitation:</u> Upon reasonable prior notice and consent by the Company, a representative of the ATU will be allowed access to Company premises for purpose of investigating or adjusting an actual grievance. The ATU agent will confine any conversations with employees to non-work time and his activities will not, in any manner, interfere with the performance of work by the employees.

ARTICLE 4 MANAGEMENT RIGHTS

Section 4.1 The Company retains, solely and exclusively, all the rights, powers and authority which is exercised or possessed prior to the execution of this Agreement, except as specifically amended by an express provision of this Agreement. Without limiting the generality of the foregoing, the rights, powers and authority retained solely and exclusively by the company and not amended by this Agreement include, but are not limited to the following: to manage, direct and maintain the efficiency of its business and personnel; to manage and control or eliminate jobs and operations in whole or in part; to discontinue and/or subcontract work for economic or other reasons; to direct the work force; to increase or decrease the work force and determine the number of employees needed; to hire, transfer, promote, demote, suspend, discharge and maintain the discipline and efficiency of its employees; to lay off employees; to establish operating standards, schedules of operation and work load; to specify or assign work requirements and require overtime; to assign work and decide which employees are qualified to perform work; to adopt reasonable work rules and rules of conduct, appearance and safety and penalties for violation thereof, and amend these rules from time to time; to determine the type and scope of work to be performed and the services to be provided; to determine the methods, processes and means and places of providing services; to adapt, install, or operate new equipment or operations; to determine the location and relocation of operations and to effect technological changes. Nothing contained in this Agreement is intended or shall be construed as a waiver of any of the usual inherent and fundamental rights of management, whether the same has been exercised heretofore or not, it being understood that any policies, rules and regulations instituted by the company that may apply to the bargaining unit will not violate this Agreement, the only exception to this being terms and conditions arising out of the Revenue Contact under which the Company provides its services to its client.

Section 4.2 - Revenue Contract to Prevail: The relevant portions of a revenue contract between the Company and its customers shall be incorporated by reference into this Agreement. In a situation in which a provision of this Agreement is in conflict with any of the provisions of such revenue contract, the relevant portions of said revenue contract shall prevail for all purposes. Nothing in this Section shall be construed as subjecting any of the terms of the Company's revenue contracts to the Grievance and Arbitration provisions of this Agreement.

ARTICLE 5 NO STRIKES OR LOCKOUTS

<u>Section 5.1 - No Strikes or Lockouts:</u> During the term of this Agreement, or any extension thereof, (a) neither the ATU nor its members will, directly or indirectly, cause, encourage, sanction or participate in any strike, work stoppage, slowdown, or boycott against the Company, and (b) there will be no lockouts by the Company.

Section 5.2 - Discipline for Violation of Section: The failure or refusal on the part of any employee to comply with provisions of Section 5.1 of this Article shall be cause for immediate discipline, including discharge. If any conduct prohibited by this Section occurs, the Union shall immediately do everything within its power to terminate such conduct.

ARTICLE 6 NONDISCRIMINATION

Section 6.1 - Equal Opportunity: The Company and the ATU each respectively agree that they will not unlawfully discriminate against any individual with respect to hiring, promotion, discharge, compensation and other terms, conditions, and privileges of employment, nor will it limit, segregate or classify employees so as to unlawfully deprive any individual of employment opportunities because of such individual's race, color, religion, sex, national origin, age, disability or sexual orientation. The parties agree that disputes under this Article shall be resolved through the grievance procedure and/or arbitration procedures.

Section 6.2 - Affirmative Action and Job Accommodation: Nothing in this Agreement is intended nor shall be construed to prohibit or discourage compliance by any party with Federal, State or local laws pertaining to discrimination, affirmative action or job accommodation nor to prohibit the Company from complying with the lawful mandates or directions of its customers with respect to discrimination, affirmative action or job accommodation. The Company may take any action required or proper under such laws, mandates, or direction, with or without notice to the ATU, and neither such action nor its effect may be deemed a violation of the Agreement.

Section 6.3 - Concerted Activities: The Company and the ATU each respectively agree that they will not discriminate against any employee or applicant because of such individual's lawful activity for or support of the ATU or because of the individual's other lawful concerted activity for the purpose of collective bargaining or other mutual aid and protection or because of the individual's decision to refrain from such activity.

Section 6.4 - Gender Terms: Throughout this Agreement, the use of gender pronouns and terms shall be construed to include both male and female.

ARTICLE 7 DRUG AND ALCOHOL TESTING

Section 7 - D & A Testing: In acknowledgement of the nature of the Company's operations and overriding safety considerations, the Company has adopted formal provisions for drug and alcohol screening as referenced in the First Transit National employee Handbook, The Company policy is zero tolerance. A positive test as defined by the FTA regulation at 49 CFR part 655 and 49 CFR part 40 will result in termination. The Union agree to the foregoing Drug and Alcohol Policy as long as the policy has not been found to be in violation of any Federal or State laws and the scope of the application and enforcement does not exceed that which is required by these regulations.

An Employee take off work as a result of reasonable suspicion compliance with these regulations will be placed on leave without pay for a maximum of four days pending the results. In the event the results are negative, the employee will be made whole. Any action required by the Company as a result can be taken at that time.

ARTICLE 8 SENIORITY

Section 8.1 - Seniority Defined: Seniority shall mean the length of time an employee has been employed by the Company, measured in calendar days from the first day of the employee's most recent date of hire, for the purpose of selecting work, the determination of order in any layoff or recall from layoff or other reduction in work force, bidding, runs, assignments, or time off as provided for in this Agreement. The above seniority is date of hire. If application of the preceding sentences results in two (2) or more employees having

the same seniority, the employees' respective seniority positions will be determined by alphabetical order. Seniority shall be applicable only as expressly provided in this Agreement.

All employees will be ranked on Full time Driver and Part time classifications lists by their date of classification order. Date of class may coincide with date of hire.

Drivers will either bid a Bid Run or Back Up Extra Board position. Part time will bid a part time piece of work.

Drivers will bid their time off in Date of hire order within classification.

Section 8.2 - Lay Off

- a. Determination of Lay Off: The Company will determine the timing of a lay off, and the number of employees to be laid off.
- b. <u>Lay Off:</u> When a reduction in the work force becomes necessary, as determined by the Company, such lay off shall be made in reverse order of seniority.

Section 8.3 - Recall

- a. Order of Recall: The employee with the most seniority will be the first one recalled from lay off.
- b. Notice of Recall: The Company will forward notice of recall by registered mail, return receipt requested, to the last known address of the employee as reflected on Company records. The employee must, within five (5) days (excluding weekend days and holidays) of delivery or attempted delivery of the notice of recall, notify the Company of his/her intent to return to work on the date specified for recall and, thereafter, return to work on such date.

<u>Section 8.4 - Termination of Seniority:</u> An employee's seniority shall be terminated and his rights under this Agreement forfeited for the following reasons:

- a. Resignation by the employee or termination by the Company, unless reinstated pursuant to the grievance procedure.
- b. Failure to give notice of intent to return to work after recall within the time period specified in Section 8.3 of this Agreement, or failure to return to work on the date specified for recall, as set forth in the written notice of recall.
- c. Failure to return to work upon expiration of an approved leave of absence.
- d. Layoff of a period of twelve (12) months or for a period equal to the employee's seniority, whichever is less.
- e. Absence of three (3) consecutive days without notifying the Company.
- f. Misuse of leave as a subterfuge, to accept employment elsewhere, or for a purpose other than stated upon request for leave.

Section 8.5 - Seniority List: The Company shall provide the Union, once every two (2) months, a current Seniority List consisting of the employee's name, date of hire, date of birth, social security number, current address and phone number. Such list shall be deemed accurate unless challenged by the Union or the employee within ten (10) days upon receipt.

Section 8.6 - Return of Personnel to the Bargaining Unit: A person who, after transfer or promotion out of the bargaining unit, for a period of six (6) months or less, remains in the continuous employment of the Company and, notwithstanding any other provision of this Agreement, will be returned to any designated job classification in the bargaining unit previously held by the person. If the transfer of such a person to the bargaining unit requires the lay off of an employee, the employee with the least seniority will be laid off.

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ARTICLE 9 DISCIPLINE

<u>Section 9.1 - Company Rights:</u> The Company shall have the right to change any policies, rules and regulations governing employees without re-negotiation of this Agreement. Before implementing such changes however, the Union will be provided advance notice of said changes. The Company shall further have the absolute right to carry out all directions of its customers notwithstanding any provision of this Agreement to the contrary.

Section 9.2 - Just Cause Discharge: The following shall be just cause for disciplinary action up to and including immediate discharge; however, the Company's right to terminate an employee shall not be limited or restricted in any manner by this Article:

- a. Negligence in the performance of duties.
- Dishonesty, including falsifying company or customer records, or making false statements on applications for employment or other company forms.
- Theft or any unauthorized removal of company property or property of another employee.
- d. Physical violence, fighting, or creating a disturbance on company premises or vehicles or any time while on duty.
- e. Possession of firearms, weapons, or explosives or similar devices on company premises or vehicles or any time while on duty.
- f. Immoral or indecent conduct on company premises or vehicles or any time while on duty.
- Insubordination, including but not limited to, intentional failure or refusal to perform assigned work.
- h. Threatening, intimidating, coercing or abusing fellow employees, passengers, customers, or members of the public.
- i. Recording false time on time records, completing the time record of another employee, or alteration of a time record.
- j. Failure at any time for any reason to maintain a valid driver license and all other certificates required by federal, state and local governmental entities and laws to operate company and customer vehicles (i.e. CCCTA vans).
- Deliberate misuse, or deliberate or non-deliberate destruction, defacing, damaging, or loss of company or customer property or property of another employee or passenger.
- 1. Failure to follow a safety rule or practice, violation of a misdemeanor or felony law while on duty, or failure to use safety equipment and devices as required.
- Use of language or any other activity designed to offend or harass any other employee, customer or passenger based on that employee's, customer's, or passenger's race, color, religion, sex, national origin, age, disability or sexual orientation.
- n. Failure to properly perform a pre-trip inspection of any company or customer vehicle prior to the operation of the vehicle or failure to report any defects on vehicle when discovered.
- o. Unauthorized use of company accounts.
- p. Failure to properly secure any mobility assistance or wheelchair, or failure to properly secure any passenger or property load, transport or unload mobility-impaired passenger(s) on a company or customer vehicle.
- q. Unauthorized touching or contact with a passenger.
- r. Commitment of a serious unsafe act.
- s. Violation of the company's drug and alcohol policy.

- t. Operating a company or customer vehicle that rear-ends another motor vehicle, whether moving or not. The immediate discharge shall not apply if such rear-end accident was caused by another party striking the employee's vehicle from behind causing, in turn, employee to rear-end another vehicle, provided the employee did not violate any traffic law as documented by the police or other accident report taken at the scene of the accident.
- u. Failure to follow prescribed routes unless otherwise approved in advance by the Company.
- v. Failure to immediately report a known accident which has occurred while on duty.

Section 9.3 - Progressive Discipline: Any violation of Company policies, procedures or work rules shall result in disciplinary action. The Company may suspend an employee without pay as an element of progressive discipline. Except as provided in Section 9.2 of this Article, each infraction of any rule, policy or procedure may result in the following disciplinary action being taken by the Company against the employee:

First Violation:

Verbal warning-documented

Second Violation:

Written warning notice

Third Violation:

Suspension (1-3 days) Suspension (3-5 days)

Fourth Violation: Fifth Violation

Discharge

Section 9.4 - Length on Record: Adverse notations regarding preventable accidents on an employee's records more than eighteen (18) months old as of the date of the accident under investigation will not be taken into consideration or be admissible as evidence. Adverse notations on matters pertaining to disciplinary actions shall remain in the employee's file for not more than one year for actions which include, but are not limited to, the following reasons: dishonesty; insubordination; criminal behavior likely to have a serious impact upon the business of the Company, and various types of abuses or harassment.

Section 9.5 - Work Rules: The Company shall issue an employee handbook outlining all the rules, regulations and policies.

ARTICLE 10 GRIEVANCE AND ARBITRATION

<u>Section 10.1 - Grievance Procedure:</u> A sincere endeavor will be made by all parties to dispose of grievances arising out of differences between employees and the Company before a written grievance is filed.

If any disagreement arises over the application or interpretation of this Agreement, the employees, the Union and the Company agree that the procedure outlined below shall be the exclusive remedy for such disputes. It is further understood and agreed that any employee who knowingly violates the terms of this Section shall be subject to discipline, including discharge.

Step One: Within five (5) working days (Monday through Friday) from the date the employee knew, or by reasonable diligence could have known, of the alleged occurrence, the aggrieved employee or his representative shall file a written statement of the grievance with the Project Manager. Such statement shall be in sufficient detail to identify the nature of the grievance, the name of the aggrieved employee, and the date and place where the grievance occurred. This statement must be signed by the aggrieved employee.

Step Two: Within five (5) working days after the written statement has been filed, the aggrieved employee shall be accorded a hearing by the Project Manager or his designee. Should the aggrieved employee desire the assistance of the Shop Steward, his request shall be granted. The Project Manager or his designee conducting such hearing shall render a written decision within ten (10) working days from the conclusion of the hearing.

Step Three: Within five (5) working days following Step Two, the employee may request in writing a hearing with the District Manager or Human Resources Manager, or his designee. The request must be in writing and sent to the Company via certified mail (return receipt requested). This hearing shall be held within a period of five working days from receipt of the request. The District Manager, Human Resources Manager, or his designee shall render a written decision within 10 working days from the conclusion of the hearing.

Section 16.2 – Determination: Accidents will be evaluated by the Company's DDS Manager as to preventability or non-preventability as soon as possible after the accident occurs. Discipline, if warranted, will be initiated, in accordance with Article 9, after all reports, including law enforcement reports, are completed. The operator may appeal the decision regarding preventability within five (5) days of the initial determination regarding preventability to the Accident Review Committee, which will then meet within five (5) days to review the appeal. The committee will make a final determination on the preventability. Time extensions may be granted by mutual agreement. The Accident Review Committee shall consist of two (2) appointees by the Local Union and two (2) appointees by the Company, and one independent third party to be mutually selected by the appointees.

ARTICLE 17 BIDDING

<u>Section 17.1 – Bidding:</u> All runs AND Standby positions shall be bid by seniority and there shall be at least two bids per year, in January and July respectively. Additional bids may be necessary to meet operational requirements. If all runs have not been so bid, they will be filled at the discretion of the Company. The Company will endeavor to provide bid employees their scheduled bid hours.

If a bid run comes open during the aforementioned bid periods, such runs shall be posted for bid a minimum of three (3) days and picked by seniority. This process shall apply to the open position and subsequent positions, that are then filled by employees with lesser seniority, if the initial open bid is filled by an existing employee. This partial re-bid will be completed within up to thirty days depending on the extent of the re-bid. If the open runs are not bid on, they will be assigned by the Company.

Section 17.2 - Over-time Opportunities: When overtime opportunities are available, the Company shall distribute such opportunities in order of seniority. Any run created on a temporary basis and not in the previous bid will be assigned by seniority first to full-time drivers who have indicated their availability by signing the current sign-up list and then part-time drivers who have signed up. No drivers shall be eligible for overtime if they have already worked sixty (60) or more hours in a given work week.

<u>Section 17.3 – Notification:</u> All employees shall be notified of his/her start time no later than 5:30 p.m. on the day prior to all assignments, including extra board, unless unforeseen circumstances arise.

<u>Section 17.4 - Emergency Operations:</u> Paratransit buses/vans will be operated by paratransit bus/van bargaining unit employees. Non-bargaining unit employees may operate paratransit buses/vans only in case of emergency.

Section 17.5 - Back Up Drivers: In order to provide reliable, economical, efficient and uninterrupted service to the passengers of the system through a means for filling work that becomes open during any given day of operation, such work will be filled by drivers who elected not to bid on regular bid runs. They shall be known as back-up drivers. When such an opening occurs it will be filled by the most senior available driver from the back-up list. If no such drivers are available, the opening shall be filled by seniority from those drivers who are then on their day off. If an opening still remains it shall be filled by integrating the open work into other drivers existing routes.

ARTICLE 18 WAGES

Section 18.1 WAGES: Employees covered by this Agreement shall receive the following wage rates:

5-6-13	<u>5-6-14</u>	<u>5-6-15</u>
\$13.98	\$14.40	\$14.83
\$14.30	\$14.72	\$15.17
\$14.96	\$15.41	\$15.87
\$15.29	\$15.75	\$16.22
\$15.91	\$16.39	\$16.88
\$17.88	\$18.42	\$18.97
	\$13.98 \$14.30 \$14.96 \$15.29 \$15.91	\$14.30 \$14.72 \$14.96 \$15.41 \$15.29 \$15.75 \$15.91 \$16.39

Retro Pay: Providing there is a ratification of this agreement by the membership, each employee shall receive retro pay on the agreed wages beginning the first pay period following May 6, 2013.

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Annual Increases will take affect beginning the first pay period following the above indicated dates for each year respectively.

Trainee: Driver trainees will be paid the state minimum wage or \$8.25 per hour whichever is greater. Employees being re-trained will be paid the state minimum wage.

Driver Trainers: Employees who, when requested by the Company, serve as a Driver Trainer shall receive one dollar twenty-five cents (\$1.25) per hour in addition to their regular service rate during such time when the employee is training a new driver. The selection of a trainer shall rest solely with the Company, who shall have the sole right to determine the qualifications of trainers and to assign work to these employees and to require the trainer to complete all evaluations and paperwork and other duties assigned by the Company.

Cadet Trainers: Employees who, when requested by the Company, serve as a Cadet trainer shall receive one dollar (\$1.00) per hour in addition to their regular service rate during such time when the employee is training a new driver. The selection of a trainer shall rest solely with the Company, who shall have the sole right to determine the qualifications of trainers and to assign work to these employees and to require the trainer to complete all evaluations and paperwork and other duties assigned by the Company.

Substitute Dispatcher: A driver working as a Substitute Dispatcher shall be paid \$0.50 per hour in addition to his regular service rate during such time when the employee is actually dispatching.

ARTICLE 19 HEALTH INSURANCE

Section 19.1- Eligibility For Benefits: Only full-time non-probationary employees shall be eligible for benefits, unless provided for otherwise.

Section 19.2- Medical Insurance: Effective May 6, 2010, the Company's monthly contribution to the medical plan currently provided for eligible participating employees will be:

Employee only: \$384.90 of the premium cost of single medical only. Future increases in these monthly premiums will be shared equally by the Company and the employee with the Company's portion limited to a maximum increase of \$25.00 per month in each year of the Agreement.

Section 19.3- Dental Insurance: All employees and their families will be eligible for dental insurance at the start of the first month following sixty (60) working days as an employee. The employee shall pay 100% of the premium for dental insurance.

Section 19.4-Vision Insurance: All employees and their families will be eligible for vision insurance at the start of the first month following sixty (60) working days as an employee. The employee shall pay 100% of the premium for vision insurance.

ARTICLE 20 VACATION

Section 20.1- Accrual Rate: A monthly accrual for completing a minimum of 120 hours of regularly scheduled work (including vacation pay, sick pay, holiday pay, and bereavement pay) excluding overtime shall be as follows:

Less than (2) two years of service:

.42 = 5 days

More than (2) two years of service:

.83 = 10 days

More than (6) six years of service:

1.25 = 15 days

- a. Full-time employees with one (1) year of continuous service shall receive five (5) days of paid vacation.
- b. Full-time employees with more than two (2) years of continuous service shall receive ten (10) days of paid vacation.
- c. Full-time employees with more than six (6) years of continuous service shall receive fifteen (15) days of paid vacation.

Effective in the third year of this Agreement, employees with fifteen (15) years of continuous full-time service will be eligible to receive twenty days of paid vacation.

Section 20.2- Vacation Pay: Vacation pay shall be based upon the employee's regular work schedule at the time the vacation is taken. Any and all vacation pay will be processed within the regular bi-weekly payroll system. There will be no prepaying of vacation pay. If a holiday occurs during an employee's vacation, the employee shall be paid for the holiday in addition to their vacation pay.

Section 20.3- Vacation Bid/Sign-up and Usage:

- Bid/Sign-up for vacation will be on a seniority basis
- A maximum of two (2) qualified employees shall be permitted to be on vacation during the same week except:
 - a. Only one (1) qualified employee allowed during the Thanksgiving Holiday Period. (November 15th -30th)
 - b. Only one (1) qualified employee allowed during the Christmas and New Year's Holiday Period (December 15th January 5th)

Note: The Project Manger may allow more off than listed above if operational needs are met.

- Vacation days shall not be accrued by employees off on Workers Compensation, State Disability or any other Leave of Absence.
- Employees who resign or are terminated shall receive, in full, the accrued days in their vacation bank up to and including their last day worked.
- The Company shall provide sufficient blocks of time so that all employees may utilize their accrued vacation.
- Bid date will be mutually agreed upon by the Company and the Union.

Maximum Vacation Accrual: Unused vacation cannot exceed an employee's annual accrued vacation plus one (1) year's entitlement at any time. Vacation entitlement will cease to accrue whenever, and as long as, the amount of vacation earned but not taken equals or exceeds two times the maximum amount for which the employee is annually eligible. The accrual of vacation will not resume until such time as the vacation earned but not taken is less than two (2) times the annual entitlement.

Example: If an employee's annual entitlement is five (5) days the maximum amount they can accrue is ten (10) days. Once the employee reaches ten (10) days, they will cease accruing until he/she takes vacation time and drops below the ten (10) day maximum.

ARTICLE 21 HOLIDAY PAY

Section 21.1- Paid Holidays: Full-time employees that have successfully completed probation will be eligible for six (6) holidays per year. Those include:

1st New Year's Day
2nd Memorial Day
3rd Independence Day
4th Labor Day,
5th Thanksgiving Day
6th Christmas Day.

Section 21.2- Eligibility: In order to be eligible for holiday pay, an employee must work his/her scheduled day before and scheduled day after the holiday, and must also work on the holiday, if so scheduled unless granted the day off by the Company.

Section 21.3- Pay: Holiday pay shall be calculated at the employee's regular service rate and will be based upon the employee's regularly scheduled shift. If the holiday falls on the employee's normally scheduled day off, then the holiday pay will be computed by using the average number of hours worked per day during the previous pay period, with a maximum of eight (8) hours. If an employee is required to work on a paid holiday, the employee will be paid his/her regular scheduled pay plus the holiday pay. Holiday pay shall not be counted as hours worked for the purpose of computing overtime.

Section 21.4 – Personal Holidays: In addition to the above designated holidays, effective May 6, 2005 and again May 6, 2006, after twelve (12) months of continuous service in the bargaining unit, an employee will become eligible for one (1) personal holiday for use

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during the subsequent twelve (12) month period only. These personal holidays must be scheduled by mutual agreement between the Company and the employee, however the Company, when notified in advance of an employee wanting to use a personal holiday, will provide notification within two (2) days of receipt of the employee's request. The employee must give at least one (1) week notice to the Company of the day the employee intends to celebrate as a personal holiday; however personal holidays may be used for sick days wherein all Company reporting requirements must be properly utilized. If more than one employee desires to take the same day as a personal holiday, seniority will prevail.

ARTICLE 22 BEREAVEMENT PAY

Section 22.1-Bereavement Pay: In the case of death of any employee's immediate family member, defined as the employee's spouse, mother, father, sister, brother, child, grandparent, mother-in-law or father-in-law, the Company shall grant the employee three (3) days off with pay. With documented proof, the Company shall grant the employee five (5) days off with pay if the funeral is held outside the State of California.

ARTICLE 23 OTHER BENEFITS

Section 23.1-Life and AD&D Insurance: Full-time employees shall receive ten thousand dollars (\$10, 000) in life and AD&D insurance fully paid by the company. The employee through voluntary plans may purchase additional life and AD&D.

Section 23.2-401k Savings Plan: Full time employees shall receive fifty cents (\$.50) per each dollar contributed up to a maximum of six percent (6%) of eligible earnings. Maximum Company match would be three (3%) of earnings. Full time employees become vested over a three (3) year schedule under the Plan provisions. Part time employees are matched one hundred percent (100%) of the first fifteen percent (15%) of earnings up to two hundred and fifty dollars (\$250.00) a year. Part time employees are vested after one (1) year of service. Both full and part time employees are eligible to receive matching contributions after one (1) year of service. The Plan shall be administered in accordance with Plan provisions.

<u>Section 23.3-Incentives (Safety)</u>: Annually employees, who qualify for the Safety Jacket shall have the option of receiving the Safety Jacket or a check for \$ 50.00. If the \$50.00 dollars is chosen it will be subject to all applicable federal, state, and other taxes required by law.

ARTICLE 24 UNION SECURITY

Section 24.1: As a condition of employment for all employees covered by this Agreement:

- a. Current employees assigned to a classification and who are employed by the Company on the effective date of this Agreement, shall, as a condition of employment, become and remain a member in good standing of the Union, Amalgamated Transit Union Local 1605, not later than the thirtieth (30th) day following the effective date of this Agreement or following his/her date of hire, whichever is later.
- b. Prospective employees assigned to a classification and who are employed by the Company after the effective date of this Agreement, shall, as a condition of employment, become and remain a member in good standing of the Union, not later than the thirtieth (30th) day following his/her date of hire.
- c. An employee who is initially employed or re-employed after the time this Agreement becomes effective shall, not later than 30 days after commencement of employment, if still employed, tender to the Union (1) an amount of money equal to the initial fee uniformly charged by the Union to all employees who become members of the Union, unless the employee has, at any previous time, tendered such an amount to the Union (2) the prorated share of an amount equal to the monthly dues uniformly charged by the Union to all employees who are members of the Union. Thereafter, such an employee shall, not later than the fifteenth (15) calendar of each month of employment, tender to the Union an amount of money equal to the monthly dues uniformly charged to all employees who are members of the Union.

Section 24.2 - Check Off: Upon receipt by the Company of a check off authorization form, dated and executed by an employee, the Company shall deduct, from the wages owed the employee for the first full payroll period ending in each calendar month following receipt of such check off authorization, the Union's membership dues for the month in which such deduction is made. The Company

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shall deduct from an employee's wages only that amount of money which the Financial Secretary/Treasurer of the Union has certified to the Company, in writing, is the amount of dues properly established by the Union in accordance with applicable law and the Union's constitution and bylaws, and required of all employees as a condition of acquiring or retaining membership in the Union.

Section 24.3 - Deduction Variance: If, for any payroll period in which the Company is obligated to make deductions pursuant to Section 23.2. the wages owed an employee (after deductions mandated by any governmental body or to reimburse the Company for advances against wages) are less than the amount which the employee has authorized the Company to deduct pursuant to Section 23.2, the Company shall make no deductions from wages owed the employee for that payroll period and shall make no deductions, which would have been made from wages owed the employee for that payroll period.

<u>Section 24.4 - Notification:</u> The Company shall notify the Union monthly, in writing, of all new hires and/or terminations of bargaining unit employees.

<u>Section 24.5 - Indemnification of Company:</u> The Union shall defend, indemnify, any will hold the Company harmless against any and all claims, demands, suits, grievances, or other liability (including attorney's fees incurred by the Company) that are of or by reason of actions taken by the Company pursuant to this Article.

ARTICLE 25 LABOR MANAGEMENT COMMITTEE

The parties hereby agree to establish within three (3) months of the effective date of this Agreement a Committee to deal with issues that may arise with respect to the application or interpretation of this Agreement as affects the efficient operation of the Company's business, but not to replace the provisions of the grievance procedure. Meetings will be scheduled as the need may arise with proper advance notification provided to and by both parties. The intent of this Committee is to promote and sustain the harmonious relations between the parties. The Company and the Union will select their respective representatives, recognizing the Committee is to be limited to no more that three (3) persons for each party and shall include employees of the Company. It is further understood and agreed that the Committee shall have no power or authority to alter, amend, change or modify any provisions of this Agreement. This Committee will exist for a period of up to one (1) year, at which time the parties will evaluate whether to continue the Committee as constituted.

ARTICLE 26 SICK LEAVE

Full-time employees who have completed one (1) year of continuous service will be eligible to receive five days (5) off for sick leave or personal business as may be necessary, provided acceptable documentation of illness is provided, if requested. Unused sick leave may be carried over to the next year to a maximum accumulation of five (5) days.

Employees who use paid earned sick leave during the year earned or carried over into the next year shall not receive a charged infraction under the location attendance control program for represented employees.

ARTICLE 27 AMENDMENT AND WAIVER

This Agreement is subject to amendment, alteration or addition only by a subsequent written agreement between and executed by the Company and the Union; any oral statements or oral agreements shall be of no force or effect whatsoever. The waiver or breach of any term or condition of this Agreement by either party shall not constitute a precedent in the future enforcement of any term or condition.

ARTICLE 28 SOLE AGREEMENT

This Agreement constitutes the sole and entire existing Agreement between the parties and supersedes all prior agreements, commitments and practices, whether oral or written, between the Company and the Union and between the Company and any of its employees covered by this Agreement, and expresses all obligations of any restrictions imposed on the Company.

Ratified - 12/06/2010 Page 17 of 18

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IN WITNESS THEREOF, the duly chosen representatives of the parties hereby affirm that they have authority to enter into this Agreement on behalf of themselves and their principals and hereto affix their hands.

FOR THE COMPANY

First Transit, Inc.

NYCK PROMPONAS

SENOIR VICE PRESIDENT

FIRST TRANSIT, INC

FOR THE UNION

Amalgamated Transit Union, Local 1605

Bonan

DOY BARRIENTOS

PRESIDENT

JOMO SIMS

SHOP STEWARD

TYRONE BOWIE

E-BOARD LINK

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